

**Washington, DC** - Rep. Bruce Braley (D-Iowa) co-sponsored legislation today that will extend provisions of the Midwestern Disaster Tax Relief Act (H.R. 6587). The bill first passed Congress in 2008 after much of eastern Iowa was devastated by late summer flooding. Braley introduced the bill with Rep. Dave Loebsack (D-Iowa) and other Members of the Iowa delegation.

"As we continue to recover and rebuild from the extensive damage caused by the floods, it's important that Congress continue to offer assistance to Iowa's families," Braley said. "I'm proud to join Rep. Loebsack in introducing this important bill that will help Iowans in the First District and across the state as they continue to rebuild their homes and strengthen our communities."

The legislation, enacted as part of the Emergency Economic Stabilization Act of 2008 (PL 110-343), will provide one-year extensions of the following provisions:

- Victims may repair their home or purchase a new one using funds withdrawn from retirement plans with no tax penalties.
- Victims may repay borrowed funds from their retirement plans without penalty.
- Victims with cancelled mortgage debt will not have that debt counted as taxable income.